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CITY OF VANCOUVER

RECOMMENDATIONS ON FUTURE SOCIAL HOUSING PROGRAMS

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INTRODUCTION

In January 1985, the Federation of Canadian Municipalities responded to the Government of Canada Consultation Paper on Housing. The City of Vancouver supports the general directions outlined in the FCM response. However, the national response does not clearly express Vancouver's priorities. This position paper presents the City of Vancouver's recommendations on future social housing programs.

The City of Vancouver is recommending actions to assist the seven percent of Vancouver households "most in need". They are renters who both spend in excess of thirty percent of their income on housing, and whose housing is either of substandard quality or does not meet their basic needs.

This report is divided into three parts. The first deals with the context for the City's proposal; the second, with recommendations on the appropriate roles for government; and the third, with recommendations on programs, targets, and funding requirements to respond to Vancouver's most serious housing problems.

ESTABLISHING OUR CREDENTIALS:

THE CITY OF VANCOUVER'S CONTRIBUTION TO AFFORDABLE HOUSING

Since the mid-1960s, the City of Vancouver has provided sites for 8,025 social housing units and has assisted with zoning and the provision of community services for another 8,000 non-market units.

Vancouver's land-lease, land-write down, and land acquisition programs represent a substantial financial commitment by the City. Between 1978-1982 Vancouver allocated $ 16.5 million in foregone revenues to social housing. Since 1982 Vancouver's Property Endowment Fund has invested cash of $ 17.6 million and land of $ 1.6 million in social housing.

We have also improved the quality of housing through by-law enforcement and RRAP. RRAP has upgraded 6,800 dwellings. However, some poor quality stock remains, particularily in the downtown rooming-houses. Since 1981, 38 percent of the Downtown Eastside (and 9 percent of downtown) rooming-houses have been upgraded through RRAP. While the program has been successful, it is just beginning to accomplish the goal of upgrading the rooming-house stock.

In 1983, the City evaluated its contribution to affordable housing. Council was satisfied with the results. Less than four percent of assisted households could have afforded market housing (at 30 percent of income) in the same area of the city. Without the City's social housing program the new False Creek and Champlain Heights communities would not have included a mix of housing opportunities.

The City of Vancouver has had extensive experience in social housing. We are drawing upon this experience to recommend federal, provincial, and city housing responsibilities, housing priorities, targets, and funding requirements for the City of Vancouver.

APPROPRIATE ROLES FOR GOVERNMENT IN THE HOUSING MARKET:

WHO FUNDS AND WHO SHOULD DELIVER SOCIAL HOUSING

Three-quarters of Vancouver households are able to find adequate and affordable housing through the private market. Governments should facilitate the operation of the private market and intervene directly to assist households who the market does not adequately serve.

The City of Vancouver's actions in the housing market include:

- Zoning sufficient land for housing;
- Regulating housing quality;
- Supplying and maintaining residential infrastructure and community services; and
- Providing assistance to social housing through:
  - Assembly and purchase of sites for later use by social housing;
  - Absorbing property holding costs until substantial completion;
  - Leasing city owned sites, to reduce land-costs to projects;
  - Where necessary, providing further property write downs or start-up grants; and
  - Providing to sponsors, at no cost, the expert advice of city staff.

The City of Vancouver seeks assistance from senior governments to provide accommodation for people for whom market housing is either not suitable, available, or affordable.

In the past the City has negotiated directly with the federal government for family and downtown special needs funding. By-and-large our direct negotiations with Canada Mortgage and Housing Corporation have been excellent.

Subject to resolution of the constitutional question, the City of Vancouver prefers to:

- Continue to negotiate directly with the Federal Government (through Canada Mortgage and Housing Corporation) for social housing unit allocations; and

- Assume greater responsibility for policy and program planning by setting priorities for the allocation of funds, and by assisting Canada Mortgage and Housing Corporation to establish maximum unit prices and other program guidelines in response to the Vancouver housing market.

The City has already established the precedent for negotiating directly with CMHC and for delivering programs (e.g. RRAP). Since the City must live with the implications of social housing decisions, we should jointly share with CMHC the responsibility for making the tradeoffs when funds are insufficient to meet needs.

Program and funding requirements necessary for the City of Vancouver to develop a sustained response to the housing requirements of those most in need are outlined in the next section.

SOCIAL HOUSING PROGRAMS, TARGETS, AND FUNDING REQUIREMENTS FOR THE CITY OF VANCOUVER

The City of Vancouver recommends that the first priority for social housing assistance be to:

- Low income families with children requiring affordable family rental accommodation;
- Low income households renting downtown rooming and lodging houses; and
- Senior citizens and disabled persons requiring a combination of affordable rental housing and support services.

These households require affordable housing and support services designed to meet their special needs. Few such units are available in market housing.

The City of Vancouver recommends a combination of three non-market housing and rehabilitation programs to meet the majority of the most serious housing problems.

1. Deep Subsidy Social Housing Program
   Provision for small, low-income social housing developments to be located adjacent to support services (such as parks and hospitals) and in neighbourhoods where an income and household mix, so vital to a livable community, is achieved at the neighbourhood level.

2. Mixed Income Family Social Housing Program
   Provision for some mixed-income social housing developments to be located in communities where the City wishes to introduce a household and income mix including low- and moderate- income families.

   The present mixed-income social housing program (Section 56.1) meets many of Vancouver's community objectives. Evaluation of the program suggests that it can be further adjusted to ensure income mix objectives are achieved while better targetting housing subsidies to lower-income residents.

3. Rental Rehabilitation Program
   Assistance to upgrade rental housing to meet basic health and safety standards. This funding (landlord RRAP) should be available to rooming-house and self-contained units with emphasis on units managed by non-profit sponsors.

Targets and Funding Required to Address First Priority Needs

In March 1980 the City of Vancouver set social housing targets. These have been reviewed and revised to 1985.

Households Experiencing Problems of Housing Affordability and Inappropriate and/or Unsafe Housing		
Households	Number of Households Vancouver	Annual Target Recommended
Families with children	2,000	200 Social Housing Units
Downtown Rooming-House Residents	7,800	300 Social Housing Units 300 Rehabilitated Units
Seniors/ disabled	5,000	200 Social Housing Units/ care beds.

As a minimum, The City of Vancouver recommends an annual target of:

- Increasing the stock of non-market housing by 700 units; and
- Rehabilitating 300 rental dwellings.

A sustained approach to housing those most in need requires some certainty of annual funding. The City of Vancouver anticipates continuing to provide a contribution toward social housing through our land and community service programs.

The City of Vancouver requires an annual commitment from senior governments of:

- $3.4 million (in 1985 dollars) toward new social housing; and
- $0.6 million for rental rehabilitation

in addition to the funding required to maintain the existing stock of social housing.

The City's funding request is less than the cost of senior government subsidies to the Vancouver rental sector during the past few years. The recommendations also support the federal and provincial objective of better targetting of subsidies to people most in need.

In addition to those households "most in need" of assistance, there is considerable evidence that another twenty percent of households face various degrees of difficulty affording and maintaining their housing. These include renters in adequate, but unaffordable, housing and low-income owners unable to afford basic home maintenance.

Meeting the needs of renters experiencing affordability problems will be expensive as there is no evidence that they have assets upon which to draw. However, some owners can be encouraged to help themselves by drawing upon accumulated equity and exploring opportunities for home conversion to add a revenue generating second unit.

CONCLUSION

The Vancouver City Council believes that, particularly in times of recession and restraint, governments have an obligation to assist those most in need. The City of Vancouver is helping through our Social Housing Program and is requesting the Federal and Provincial governments to continue participating in this cost-shared social obligation.